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R 102255Z APR 08
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC 3356
INFO RUEHIL/AMEMBASSY ISLAMABAD 2060
RUEHNH/AMCONSUL NAHA 9592
RUEHOK/AMCONSUL OSAKA KOBE 0884
RUEHKSO/AMCONSUL SAPPORO 7808

S E C R E T SECTION 01 OF 02 TOKYO 000991

SIPDIS

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PASS TO ISN AND EAP

E.O. 12958: DECL: 04/10/2018

TAGS: ETC PARM PREL JA KNNP MNUC

SUBJECT: NAIG 7200: DEMARCHE DELIVERED FOR COOPERATION
BETWEEN A PROBABLE JAPANESE NATIONAL AND IRANIAN AND
PAKISTANI ENTITIES IN AREAS OF POTENTIAL CONCERN (S)

REF: STATE 31852

Classified By: EMIN ROBERT F. CEKUTA, REASONS 1.4 (B) AND (D)

¶1. (U) Please see action request in paragraphs 2 and 3.

¶2. (S/NF) ESTOff delivered points in ref to METI Security Export Control Policy Division Deputy Director Atsushi Tanizawa and Security Export Licensing Division Deputy Director Furui Ryoji. The GOJ officials appreciated receiving the non-paper on a probable Japanese national offering a dual-use item to Iranian and Pakistani entities. Tanizawa said his office will lead the preliminary investigation by conducting interviews with the National Police Agency, Mitsuyo company, and other related entities. He will pass along the results of the investigation to Embassy Tokyo. Tanizawa would like to know when the offer by a probable Japanese national was made.

¶3. (S/NF) ESTOff also met with MOFA Non-Proliferation, Science and Nuclear Energy Division officers Shingo Ito and Shinichi Sato. The MOFA officials appreciated this new information. Sato said his office will work closely with his export control colleagues at METI. However, Sato would like to know how information about this case was obtained; in particular, about what sources were used.

¶4. (S/NF) On April 8, METI provided the following response, in English, and requested Embassy forward it to Washington agencies:

BEGIN TEXT OF LETTER.

We are always grateful for your cooperation and sharing information with us. Although we are now in the process of investigating the case, we would like to share information we have obtained through preliminary investigation and the measures we have taken so far as following:

A) Information on this case:

¶1. Information about Kyouhei Shirase

--According to Japan Customs, there was no export from Japan to Iran or Pakistan made by Kyouhei Shirase in 2007.

--According to Mitsutoyo, there is no employee whose name is Kyouhei Shirase in the company or in its branches.

--According to Mitsutoyo, there is no registered customer whose name is Kyouhei Shirase in Japan or in any foreign countries.

¶2. Information on the machines Mitsutoyo is handling
--All three-dimensional computerized numerically controlled measuring machines currently sold by Mitsutoyo are listed on the control list.

--Mitsutoyo is not allowed to use the bulk license. It has to apply for the individual license every time it wants to export.

--All the machines can not be transferred without Mitsutoyo's approval because the transfer sensor is built in the machines sold after April 2007. If the machine is transferred secretly, the sensor will kill the machine.

Considering above mentioned background, we assume it scarcely possible Mitsutoyo machines can be exported directly from Mitsutoyo to Iran or Pakistan unless the company exports them deliberately.

B) Measures we have taken:

We asked Mitsutoyo to report (to) METI in case Kyouhei Shirase makes any requests to buy the machine. Moreover we asked Japan Customs to watch upon all the machines to Iran and Pakistan to prevent the illegal export of used machines.

Outline cf. previous case of Mitsutoyo
Nov 2001-The machine was exported to Malaysia without license
Feb 2004-The machine was found in Libya
Jun 2007-The company and its vice-president were convicted by the Tokyo District Court
Jun 2007-Administrative sanction was imposed by METI

We are willing to provide more information as our investigation proceeds. Also, we would appreciate any further information from your government.

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END TEXT.

¶5. (U) Action request. Post would appreciate guidance on how to address the questions from GOJ officials contained in paras 2 and 3.

MESERVE